

# Our approach to driving social and economic value

**We are committed to ensuring that the Fens Reservoir delivers and enables a wide range of socio-economic benefits.**

**These benefits include creating employment opportunities, offering recreational and educational facilities, providing upskilling and training placements, supporting local suppliers and services, and boosting local economic spending.**

This factsheet provides a summary of our approach.

## Types of socio-economic benefits

The following socio-economic benefits are anticipated across the project:

- **Construction** – We will invest significantly during the construction phase. During the peak construction years, we estimate that we may need up to 2,000 workers, who will be employed both on the reservoir site and across the region through associated water infrastructure delivery.
- **Operation** – We will employ people during operation and the reservoir will also generate local and regional spending through visitor activity. Visitors will spend money on-site – such as on parking, cafés, and recreational or educational activities – and in the wider local area on accommodation, meals and tourism.
- **Local Supply Chain, Regional and National Reach** – We aim to involve local businesses, including small and medium-sized enterprises, in delivering the project. We would offer training and employment opportunities to people from the surrounding region. We would also source specialist skills and products nationally, benefiting the UK economy.
- **Immediate and Long-Term Impact** – We would create temporary jobs during construction and provide apprenticeships and training that offer long-term career benefits. The reservoir would operate indefinitely, creating permanent jobs that contribute to the local economy.

## Actions to drive social and economic value

Some of the most important actions we are taking to drive socio-economic benefits are listed below:

- **Socio-economic strategy** – We will outline our commitments to promoting socio-economic benefits in this strategy. It will define how the organisations responsible for building and operating the facilities must deliver these benefits. More information is available below.
- **Food and farming study** – We are working with others to explore the potential impacts and opportunities for food and farming in the region. This includes engaging with agricultural specialists and the Future Fens Integrated Adaptation strategic partnership. More information is available below.
- **Construction worker accommodation assessment** – We are exploring accommodation options for construction workers. This includes estimating how many workers would come from the local area, how many would need accommodation, and identifying suitable accommodation solutions. More information is available in our Design Refinement Report.
- **Design development** – Our vision goes beyond simply securing new water supply – we want to create a new destination for Fenland where people, nature and water can come together. Our approach to placemaking and use of design principles is supporting this vision and unlocking associated socio-economic benefits. Our design team has shaped and configured the reservoir to create a unique and engaging place that promotes health, wellbeing and educational opportunities for local and regional communities. Further details can be found in our Design Refinement Report.

## Types of socio-economic benefits

We will include the socio-economic strategy document in our Development Consent Order (DCO) application. In this document, we will set out our commitments to promoting socio-economic benefits and explain how we will deliver them. While outcomes are important and measurable, we will focus the socio-economic strategy on the actions that will achieve those outcomes.

We will structure the socio-economic strategy around a series of commitments that span multiple stages of the project. We will integrate these commitments into the development of the project. Our methodology combines both top-down and bottom-up approaches:

- The bottom-up approach ensures that stakeholder engagement informs the socio-economic strategy's commitments and reflects local policies, studies, reports, and aspirations. We will draw on input from the public, businesses, education and training providers, and local authorities
- The top-down approach frames the strategy with our aspirations and project vision, links to the water regulator process, and the strategic needs outlined in national policy, legislation, and guidance from stakeholders

We expect the socio-economic strategy to include commitments across a range of areas. While we must ensure affordability and deliver good value for customers, we may include commitments in the following areas:

- agriculture
- cultural and community benefits
- employment and skills
- recreation and amenity
- supply chain and procurement
- transport and connectivity



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## We continue to develop our commitments for the socio-economic strategy, so now is a valuable time to invite feedback and ideas from stakeholders and the community.

In our plans, we are including:

- a primary visitor hub encompassing a range of facilities and uses
- a secondary visitor hub to the south of the site with a focus on education and community uses
- a tertiary visitor hub to the northeast of the site
- a dedicated heritage space as part of a secondary visitor hub



## Food and farming study

The Environmental Impact Assessment (EIA), required by the Development Consent Order (DCO) assesses the impacts associated to the development of the Fens Reservoir.

Beyond the scope of our EIA, we have done further work to explore the impacts, opportunities and mitigations related to food and farming. This has involved engaging with agricultural specialists and the Future Fens Integrated Adaptation (FFIA). The FFIA is a strategic partnership initiative, which aims to work across sectors to determine the actions that partners involved in managing water across the landscape can jointly take to secure a vibrant future for the Fens.



Some of the opportunities that we and others have identified may be included within the socio-economic strategy for delivery through the DCO, but most would need to be enabled or delivered via third parties. This is why we are working with FFIA. We expect them to progress actions, where they cannot be delivered via the development of the Fens Reservoir. These actions have the potential to secure a more sustainable and prosperous agricultural future for the region, by unlocking new opportunities for the region's nationally significant agriculture and food sectors.

As well as exploring opportunities we also commissioned a study to quantify the land and land use, impacted by the construction of the Fens Reservoir. Estimates based on Defra agricultural datasets and the John Nix Farm Management Pocketbook (based on 2023/24 data), provided the:

- Volume of food produced on this farmland
- Additional income from farm diversification and environmental schemes, which when added to the value of crops and livestock, gives an estimate of farm output value
- Jobs supported by this farm output, both on the impacted farms and in the wider supply chain

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## Fens Reservoir – the estimated impacts, before mitigation (using 2023/24 data) are:

- The estimated loss of farm output is equivalent to 0.4-0.6% of Cambridgeshire farmland, 0.4-0.6% of the value of Cambridgeshire's agricultural output and 0.3-0.5% of jobs in the supply chain
- The impacts above are measurable but are a worst-case scenario before any mitigation actions are taken. Once mitigations are used, the study finds there are potential uplifts in farm and food chain activity which could increase farming output at a regional level

The study identified a series of potential opportunities which the FFIA initiative are currently exploring with support from the Reservoir Programme, but not delivered by the DCO, to benefit the agricultural community surrounding the reservoirs:

- Increase the volume and value of food output – e.g. through facilitating production of more higher value open field or greenhouse crops e.g. salads, vegetables and fruit, by increasing water supply for high value crops or supporting more greenhouses. For example, less than 25 hectares of greenhouses could replace the volume of crop output impacted by one of the reservoirs (tomato yield c.100 times the wheat average) and increase the value of crop grown
- Support more jobs – mainly through options such as higher value crop production or by facilitating new on farm tourism enterprises. For example, tourism enterprises on farms support many more jobs per hectare than broad acre crop production

- Deliver environmental benefits – through increasing the supply of sustainable fertilisers, enabling more farmers to deliver environmental schemes and through sustainable water management

The farms that may be negatively impacted through the potential loss of land would be supported through the normal compensation arrangements which apply for national infrastructure projects, the 'Compensation Code'.

Not every farm business in the area would gain benefits from the reservoirs, but this assessment shows that at the regional level, there is real potential to deliver a net benefit to farming and the food chain by unlocking new income opportunities for farmers.



## Next steps

**We will continue to develop our socio-economic strategy and our approach to construction worker accommodation. Our environmental impact assessment will assess the socio-economic impact of the proposed development.**

We will analyse the comments received from the phase three consultation and use this feedback to help shape our strategy.

The magnitude and significance of potential socio-economic impacts will be assessed as part of the Project's EIA and will cover:

### **Public access and amenity:**

This will consider the potential impact of the proposed development on people through their use of public rights of way, public transport, and amenity spaces including formal open space, play spaces and sports facilities.

### **Socio-economics and community:**

This will consider the potential impact of the proposed development on people through their use of homes, businesses and community infrastructure including education and healthcare provision.

More information on this can be found in the Supporting Environmental Information Report.

